# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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# FISCAL IMPACT STATEMENT

**LS 6779 NOTE PREPARED:** Jan 1, 2008

BILL NUMBER: HB 1133 BILL AMENDED:

**SUBJECT:** Disaster Worker Health Coverage.

FIRST AUTHOR: Rep. Ruppel BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides for compensation of an active duty member of the Indiana Guard Reserve and certain volunteer emergency management workers under the worker's compensation and occupational diseases law.

Effective Date: July 1, 2008.

<u>Explanation of State Expenditures:</u> The state could experience an impact as an employer. The state is self-insured for worker's compensation. The state would be required to pay claims as they become due. The impact will depend on the number and nature of future claims.

Currently, there are approximately 4,000 reservists in Indiana. The number that would be covered in future events is indeterminable. In 2005, over 3,000 members of the Guard were deployed as emergency workers to assist with the destruction left by Katrina.

The number of other volunteer emergency workers that would be affected by the bill is also unknown. Expenses will depend on future circumstances wherein volunteer emergency workers are injured or killed performing emergency management services in another state.

*Indiana Worker's Compensation Benefits:* The maximum amount payable is \$318,000 for FY 2009 and \$325,000 after FY 2009.

Disability Benefits. Payments are made for temporary total disability in an amount determined by a percentage of the worker's wage, subject to a weekly maximum payment amount. Payments may continue

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for up to 500 weeks, subject to a cap on the total payment received. Payments are made for permanent total disability (PTD) based upon a percentage of the worker's wage, subject to a weekly maximum payment amount. Payments for PTD may continue for up to 500 weeks. Payments for permanent partial disability are made based upon a percentage of the worker's wage, subject to a weekly maximum payment and minimum weekly payment of \$75. The weekly maximum payment for FY 2009 is \$954 and \$975 after FY 2009. Benefits may be available for permanent disfigurement which impairs the future usefulness of opportunities of the employee. Physical and vocational rehabilitation benefits are available. With certain constraints and filing deadlines, occupational hearing losses may be compensable.

Death Benefits. An additional allowance for funeral expenses (currently up to \$7,500) is made (IC 22-3-3-21). If the employee dies immediately, the dependents of the employee are entitled to weekly payments at 2/3 of the employee's average weekly wage, up to a maximum of 500 weeks. If the employee dies within 500 weeks of the date of injury causing the death, the dependents are entitled to payment at the same rate, until the total compensation paid to the employee and the employee's dependents equals 500 weeks. Average weekly wages for payment of the death benefit are calculated in the same manner as average weekly wages for disability payments IC 22-3-3-17.

A dependent spouse's dependency terminates upon remarriage, at which time the spouse receives a lump sum settlement of 104 weeks of compensation, or the remainder left unpaid, whichever is less.

# **Explanation of State Revenues:**

### **Explanation of Local Expenditures:**

# **Explanation of Local Revenues:**

State Agencies Affected: Indiana Guard Reserve

#### **Local Agencies Affected:**

<u>Information Sources:</u> Lt Col JR Newman, Deputy Chief, HR Dept, 317.247.3300, ext 3467; Captain John Stamm, Indiana National Guard; Tom Applegate, Director Indiana Veterans' Affairshttp://www.in.gov/workcomp/attorneys/handbook/HANDBK2001.html#DeathBenefits

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